

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket 96-45
Universal Service)	

SUPPLEMENTAL NOTICE OF INTENT TO
PURSUE PETITION FOR RECONSIDERATION
(Filed December 19, 2001)

COMES NOW the Public Service Commission of Wyoming, hereinafter referred to as the Wyoming Commission, to file its Supplemental Notice of Intent to Pursue Petition of Reconsideration with regard to the above docketed matter. In support of this filing, the Wyoming Commission, hereby, states the following:

1. On May 8, 1997, the Federal Communications Commission, hereinafter referred to as the FCC, issued its Universal Service First Report and Order. This order generally provided for a method of funding and distributing federal universal service funds. Specifics contained in the order include: universal service principles, a definition of the services to support, carrier eligibility requirements, a description of support for high cost areas, descriptions of support for low-income customers, schools and libraries, and rural health care, subscriber line charges and common carrier line charges, and support mechanism administration.

2. On July 16, 1997, the Wyoming Commission filed its Petition for Reconsideration with regard to this matter. Reconsideration was requested based upon a number of concerns relative to the FCC's Universal Service First Report and Order. Specifically, the Wyoming Commission identified the following concerns: (1) the federal share of universal service support which the Order sets at 25% of the computed need, (2) the reluctance of the FCC to apply the universal service fund assessment to both interstate and intrastate revenues; and (3) the increases in subscriber line charges.

3. Subsequent to the FCC's issuance of its Universal Service First Report and Order, a number of orders have been issued which have altered the provisions of the May 8, 1997, order. However, the subsequent orders continue to raise the same basic, underlying concerns as those raised in the Wyoming Commission's July 16, 1997 Petition for Reconsideration: sufficiency, affordability, and comparability. Thus, the elimination of the reference to the federal jurisdiction supporting only 25 percent of the high cost need does not yet answer the concern about whether the federal jurisdiction provides the sufficient and predictable support called for by the 1996 Telecommunications Act. Similarly, the subsequent decision to apply the federal assessment to only interstate and international revenues, in light of a court decision, does not remove our concern about the affordability of the total bill to be paid by Wyoming customers. As to subscriber line rates, later FCC decisions have worsened the problem, as subscriber line rates continue to rise, without adequate bill reductions for low-volume customers. We do not believe that subsequent FCC decisions have adequately addressed the statutory mandates. Our underlying concerns must be addressed to assure the existence of a fund that truly finds a balance between competitive and customer needs.

4. Notwithstanding the subsequent amendments to the FCC's May 8, 1997, order, as described above, the Wyoming Commission has remaining concerns regarding the following issues:

(a) The support for non-rural carriers continues to fail the sufficiency test mandated by the 1996 Telecommunications Act and fails to provide affordable rates for the citizens of Wyoming.

b) The support mechanism for non-rural carriers continues to fail to recognize the unique nature of some of the sparsely populated, high cost states, who do not have the ability to supplement the federal support to the extent necessary to keep rates affordable. The Wyoming Commission has performed two affordability studies and, based on the results of these studies, is concerned about maintaining the integrity of the ubiquitous network and the gains in subscriber rates that have been made over the last decade.

(c) Subscriber line charges have continued to increase and expand, shifting a greater portion of the costs to local, low toll-use customers, who have not received the same benefit from toll reductions as those received by high toll-volume users. This continues to be perceived by customers as local rate increases, and impacts the sustainability of the local rate and potentially, the current high subscribership levels.

5. Wherefore, the Public Service Commission of Wyoming respectfully requests that the Federal Communications Commission consider its Petition for Reconsideration refreshed and proceed accordingly.

Respectfully submitted this 19th day of December, 2001.

PUBLIC SERVICE COMMISSION OF WYOMING

STEVE ELLENBECKER, Chairman

STEVE FURTNEY, Deputy Chairman

KRISTIN H. LEE, Commissioner